



United States Department of Agriculture  
Forest Service

# **Sweet-Ione Integrated Resources Improvement Project**

**Newport-Sullivan Lake Ranger Districts**

**Colville National Forest**

## **Economic Analysis Report**

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## **1.0 Relevant Laws, Regulations, and Policy**

Regulatory direction relevant to the Ione-Sweet Ecological Restoration Project includes:

Colville National Forest Land Management Plan, September 2019.

National Forest Management Act (NFMA 1976).

National Environmental Policy Act (NEPA 1970).

Travel Management Rule (TM) (36 CFR 212, 251, 261, and 295).

## **2.0 Information Sources**

Economic analysis of the proposed treatment for the Sweet-Ione Integrated Resources Improvement Project was completed using the Transaction Evidence Appraisal (TEA) method with the most recent (June 2021) product log values.

The economic analysis presented here is a best estimate of costs. Actual appraised value may change over time. The analysis can be used to compare alternatives, but not to give any absolute numbers for the outputs.

The harvest volumes and species mix are estimates from the silvicultural prescriptions. Timber values were calculated using the current Product Quality Adjustment (PQA) for delivered logs, in Eastern Washington. Stump to truck logging costs were analyzed using the current version of Logcost 18.1. Haul costs were calculated using the most recent version of Haulcost 18.0.

## **3.0 Existing Condition**

Past activities began in the early 1900s and included homesteading, mining, grazing and logging. For most of the early to middle part of the 20th century, high valued trees such as western white pine (WP) and western red cedar (RC) were favored for removal. Harvest often occurred within relatively accessible sites such as low to mid-elevation benches, slopes and riparian areas. Logging in the later part of the 20th century was expanded to include timber stands within the upper reaches of watersheds.

The project area contains over 100 miles of USFS system, non-system, and state and county roads, the majority of which were designed for timber harvest and removal. Although vegetative re-growth and earthen berms have closed many of these roads to motorized access, the existing road profiles provide an excellent opportunity to facilitate proposed management activities.

## **4.0 Proposed Action**

The proposed action would result in the harvest of approximately 59 MMBF of timber. The proposed action would provide an economic benefit for the local economy and the agency.

**Table 1. Financial Summary for Timber Sale and Fuels Treatments**

<b>Item</b>	<b>Proposed Action</b>
Timber Sale And Related Projects Revenues	\$29,442,496
Timber Sale and Related Project Costs	\$2,495,839
NPV* (with associated projects)	\$26,946,658

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Item	Proposed Action
Cost/Benefit Ratio (gross value/ associated costs)	11.8
MMBF (Volume)	59
Non-timber Related Project Costs	\$2,120,634
NPV of Timber and Non-Timber Projects	\$24,826,024
*Net Present Value	

Numbers in the Table 1 were generated from input into TEA-R6 Econ 6.1. Data and worksheets are available in the project file.

### **4.1 Direct and Indirect Effects**

Timber harvest activities can reasonably be expected to result in economic benefits for rural communities. Estimates of direct and indirect jobs per year created from one million board foot (MMBF) of timber harvested in Washington State range from 7.7 to 13.2 direct jobs per MMBF per year and 32.3 to 36.82 indirect jobs per MMBF per year (Mason 2005, Lippke and Mason 2005).

The proposed action for this project would provide economic benefit to the local economy through the harvest of approximately 59 MMBF of timber. Local mills rely partially on wood products supplied by National Forest Lands, and the proposed timber harvest would help sustain jobs by providing material to keep the mills operating. Secondary economic benefits will be created from preparation, implementation and administration of logging, thinning, reforestation, and fuels reduction activities. A wide variety of skills and equipment would be required to complete the various treatments.

### **4.2 Compliance with LRMP and Other Relevant Laws, Regulations, Policies and Plans**

The current Forest Plan states that one of our desired conditions is to “Provide a sustainable level of timber products for current and future generations. Production of timber from National Forest System lands contributes to an economically viable forest products industry and regularly meets the average decadal allowable sale quantity. The Allowable Sale Quantity (ASQ) is 67 MMBF and the Long Term Sustained Yield (LTSY) is 97.4 MMBF<sup>16</sup>.” (Forest Plan page 87).

The Colville National Forest also has a desired condition to make available “A variety of renewable forest products of social, spiritual, and economic value are reasonably available to the public. Special forest products and merchantable timber products are ecosystem services provided to contribute to economic sustainability, social desires, or cultural needs.” (Forest Plan page 87).

Implementation of the proposed action would comply with these desired conditions by delivering approximately 59 MMBF of commercial products to the forest products industry, which provides an economic benefit for the surrounding economy.

If action is not taken, the Forest Plans desired conditions will not be met, and no forest products would be provided to support the forest products industry or the local economy.

## **5.0   References Cited**

- Lippke, B. and L. Mason. 2005. Implications of Working Forest Impacts on Jobs and Local Economies. University of Washington, Seattle, WA. November 2005.
- Mason, Larry C. 2005. An Examination of the Washington Department of Natural Resources Timber Sale Program Against a Backdrop of Changing Regional Infrastructure and a Growing Forest Health Crisis. April 2005.
- USDA Forest Service. 2018. LogCost 18.1 – Stump to Truck Logging Appraisal and HaulCost 18.0 – Trucking Appraisal. June 2018  
[http://www.fs.usda.gov/detail/r6/landmanagement/resourcemanagement/?cid=fsbdev2\\_027048](http://www.fs.usda.gov/detail/r6/landmanagement/resourcemanagement/?cid=fsbdev2_027048)
- USDA Forest Service. 2019. Colville National Forest Land Management Plan. Colville, WA.